



DEPARTMENT OF COMMERCE

International Trade Administration

[A-570-088]

Certain Steel Racks and Parts Thereof from the People's Republic of China: Preliminary Results of the Antidumping Duty Administrative Review and Preliminary Determination of No Shipments; 2020-2021

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The U.S. Department of Commerce (Commerce) preliminarily determines that certain exporters under review sold certain steel racks and parts thereof (steel racks) from the People's Republic of China (China) in the United States at prices below normal value (NV) during the period of review (POR) September 1, 2020, through August 31, 2021. Additionally, Commerce preliminarily determines that Hebei Minmetals Co., Ltd. (Hebei Minmetals) and Xiamen Luckyroc Industry Co., Ltd., (Luckyroc) had no shipments of subject merchandise during the POR. We invite interested parties to comment on these preliminary results of review.

DATES: Applicable [Insert date of publication in the *Federal Register*].

FOR FURTHER INFORMATION CONTACT: Jonathan Hill or Elizabeth Bremer, AD/CVD Operations, Office IV, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-3518 and (202) 482-4987, respectively.

SUPPLEMENTARY INFORMATION:

Background

On September 2, 2021, Commerce published in the *Federal Register* a notice of opportunity to request an administrative review of the antidumping duty order on steel racks from China.¹ After receiving review requests, Commerce initiated this review for 31

¹ See *Antidumping or Countervailing Duty Order, Finding, or Suspended Investigation; Opportunity to Request Administrative Review*, 86 FR 49311 (September 2, 2021); and *Certain Steel Racks and Parts Thereof from the*

companies.² On April 26, 2022, Commerce extended the deadline for these preliminary results by a total of 120 days, to September 30, 2022.³ For additional background information, *see* the Preliminary Decision Memorandum.⁴

Scope of the *Order*

The merchandise covered by the *Order* is steel racks and parts thereof, assembled, to any extent, or unassembled, including but not limited to, vertical components (*e.g.*, uprights, posts, or columns), horizontal or diagonal components (*e.g.*, arms or beams), braces, frames, locking devices (*e.g.*, end plates and beam connectors), and accessories (including, but not limited to, rails, skid channels, skid rails, drum/coil beds, fork clearance bars, pallet supports, row spacers, and wall ties).

Merchandise covered by the *Order* is classified in the Harmonized Tariff Schedule of the United States (HTSUS) under subheadings 7326.90.8688, 9403.20.0081, 9403.90.8041, and 9403.99.9041.⁵ Subject merchandise may also be classified under subheadings 7308.90.3000, 7308.90.6000, 7308.90.9590, and 9403.20.0090. The HTSUS subheadings are provided for convenience and U.S. customs purposes only. The written description of the scope is dispositive.

A full description of the scope of the *Order* is contained in the Preliminary Decision Memorandum.

Preliminary Determination of No Shipments

People's Republic of China: Amended Final Affirmative Antidumping Duty Determination and Antidumping Duty Order; and Countervailing Duty Order 84 FR 48584 (September 16, 2019) (collectively, *Order*).

² *See Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 86 FR 61121 (November 5, 2021).

³ *See* Memorandum, "Certain Steel Racks and Parts Thereof from the People's Republic of China: Extension of Deadline for Preliminary Results of Antidumping Duty Administrative Review," dated April 26, 2022.

⁴ *See* Memorandum, "Decision Memorandum for the Preliminary Results of the Antidumping Duty Administrative Review of Certain Steel Racks and Parts Thereof from the People's Republic of China; and Preliminary Determination of No Shipments; 2020-2021," dated concurrently with, and hereby adopted by, this notice (Preliminary Decision Memorandum).

⁵ On February 9, 2022, Commerce received a request from U.S. Customs and Border Protection (CBP) to update the ACE Case Reference File (CRF) for certain steel racks and parts thereof from the People's Republic of China. Specifically, CBP requested that Commerce add a certain Harmonized Tariff Schedule (HTS) number to case numbers A570-088 to reflect the 2022 updates to the HTS. On May 4, 2022, Commerce added the HTS number 9403.99.9041 to the CRF for case A-570-088. *See* Memorandum, "Request from Customs and Border Protection to Update the ACE AD/CVD Case Reference File: Certain Steel Racks and Parts Thereof from the People's Republic of China (A-570-088, C-570-089)," dated May 4, 2022.

On December 2 and 6, 2021, Hebei Minmetals and Luckyroc timely filed certifications that they did not export or sell subject merchandise during the POR and that there were no suspended entries of their subject merchandise into the United States during the POR. Based on an analysis of information from U.S. Customs and Border Protection (CBP), and each company's certification, we preliminarily determine that Hebei Minmetals and Luckyroc did not export or sell subject merchandise to, nor was their subject merchandise entered into, the United States during the POR.⁶

Consistent with Commerce's practice, we are not rescinding this administrative review with respect to Hebei Minmetals and Luckyroc, but intend to complete the review of these companies and issue appropriate liquidation and assessment instructions to CBP based on the final results of review.⁷

Methodology

Commerce is conducting this review in accordance with section 751(a)(1)(B) of the Tariff Act of 1930, as amended (the Act). We calculated export prices for the mandatory respondents Nanjing Dongsheng Shelf Manufacturing Co., Ltd. (Dongsheng) and Nanjing Ironstone Storage Equipment Co., Ltd. (Ironstone) in accordance with section 772 of the Act. Further, because China is a non-market economy (NME) country within the meaning of section 771(18) of the Act, we calculated NV in accordance with section 773(c) of the Act.

For a full description of the methodology underlying our conclusions, *see* the Preliminary Decision Memorandum. A list of topics discussed in the Preliminary Decision Memorandum is included as Appendix I to this notice. The Preliminary Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <https://access.trade.gov>. In addition, a complete version of the Preliminary

⁶ See Preliminary Decision Memorandum.

⁷ See *Non-Market Economy Antidumping Proceedings: Assessment of Antidumping Duties*, 76 FR 65694 (October 24, 2011); *see also* the "Assessment Rates" section, *infra*.

Decision Memorandum can be accessed directly at
<https://access.trade.gov/public/FRNoticesListLayout.aspx>.

Separate Rates

In all proceedings involving an NME country, Commerce maintains a rebuttable presumption that all companies are subject to government control and, thus, should be assessed a single weighted-average dumping margin unless the company can affirmatively demonstrate an absence of government control, both in law (*de jure*) and in fact (*de facto*), with respect to its exports (*i.e.*, can affirmatively demonstrate that it is eligible for a separate rate).⁸ Commerce has preliminarily determined that information placed on the record by Dongsheng, Ironstone, and Nanjing Kingmore Logistics Equipment Manufacturing Co., Ltd., demonstrates that these companies are eligible for separate rate status.⁹

However, Commerce has preliminarily determined that each of the companies whose name is listed in Appendix II to this notice has not demonstrated its eligibility for a separate rate because it did not file a separate rate application or separate rate certification with Commerce. Therefore, we have preliminarily treated the companies listed in Appendix II as part of the China-wide entity.

Because no party requested a review of the China-wide entity, the China-wide entity is not under review. Accordingly, the weighted-average dumping margin determined for the China-wide entity (*i.e.*, 144.50 percent) is not subject to change in this review. For additional information, *see* the Preliminary Decision Memorandum.

Dumping Margin for the Non-Individually Examined Company Granted a Separate Rate

⁸ *See Notice of Final Determination of Sales at Less Than Fair Value, and Affirmative Critical Circumstances, In Part: Certain Lined Paper Products from the People's Republic of China*, 71 FR 53079, 53082 (September 8, 2006); *see also Final Determination of Sales at Less Than Fair Value and Final Partial Affirmative Determination of Critical Circumstances: Diamond Sawblades and Parts Thereof from the People's Republic of China*, 71 FR 29303, 29307 (May 22, 2006).

⁹ Commerce has determined that Jiangsu Nova Intelligent Logistics Equipment Co., Ltd. is not subject to this proceeding. *See* Commerce's Letter, "Steel Racks from the People's Republic of China: Rejection of Jiangsu Nova's Separate Rate Application," dated September 30, 2022.

The statute and Commerce’s regulations do not address what weighted-average dumping margin to apply to companies not selected for individual examination when Commerce limits its examination in an administrative review pursuant to section 777A(c)(2) of the Act. Generally, Commerce looks to section 735(c)(5) of the Act for guidance regarding establishing a weighted-average dumping margin for respondents which were not individually examined in an administrative review.

Section 735(c)(5)(A) of the Act provides that Commerce will base the all-others rate in an investigation on the weighted average of the estimated weighted-average dumping margins calculated for the individually examined respondents, excluding rates that are zero, *de minimis*, or based entirely on facts available. Where the weighted-average dumping margin for each of the individually examined companies is zero, *de minimis*, or based entirely on facts available, section 735(c)(5)(B) of the Act provides that Commerce may use “any reasonable method” to establish the estimated all-others rate.

Because the preliminary weighted-average dumping margins calculated for the individually examined companies (Dongsheng and Ironstone) in this administrative review is not zero, *de minimis*, or based entirely on facts available, we have preliminarily assigned Nanjing Kingmore Logistics Equipment Manufacturing Co., Ltd. (Kingmore) – which has been found to be eligible for a separate rate, but was not selected for individual examination – a dumping margin equal to the estimated weighted-average dumping margins (based on the publicly ranged total sales quantities) calculated for Dongsheng and Ironstone, consistent with the guidance in section 735(c)(5)(B) of the Act.¹⁰ For additional information, *see* the Preliminary Decision Memorandum.

¹⁰ See Memorandum, “Administrative Review of the Antidumping Duty Order on Certain Steel Racks and Parts Thereof from the People’s Republic of China: Calculation of the Weighted-Average Dumping Margin for Respondents Not Selected for Individual Examination,” dated concurrently with this notice.

Preliminary Results of Review

We are assigning the following weighted-average dumping margins to the companies listed below for the period September 1, 2020, through August 31, 2021:

Exporter	Weighted-Average Dumping Margin (Percent)
Nanjing Dongsheng Shelf Manufacturing Co., Ltd.	39.16
Nanjing Ironstone Storage Equipment Co., Ltd.	27.95
Review-Specific Rate Applicable to the Following Non-Examined Company:	
Nanjing Kingmore Logistics Equipment Manufacturing Co., Ltd.	35.30

Disclosure

Commerce intends to disclose to parties to the proceeding the calculations performed for these preliminary results of review under Administrative Protective Order within five days of the date of publication of this notice in the *Federal Register* in accordance with 19 CFR 351.224(b).

Public Comment

Interested parties may submit case briefs to Commerce no later than 30 days after the date of publication of these preliminary results of review in the *Federal Register*.¹¹ Rebuttal briefs may be filed with Commerce no later than seven days after case briefs are due and may respond only to arguments raised in the case briefs.¹² A table of contents, list of authorities used, and an executive summary of issues should accompany any briefs submitted to Commerce. The summary should be limited to five pages total, including footnotes.¹³

Pursuant to 19 CFR 351.310(c), interested parties who wish to request a hearing, limited to issues raised in the case and rebuttal briefs, must submit a written request to the Assistant Secretary for Enforcement and Compliance, U.S. Department of Commerce, within 30 days after the date of publication of this notice in the *Federal Register*. Requests for a hearing should

¹¹ See 19 CFR 351.309(c)(1)(ii).

¹² See 19 CFR 351.309(d).

¹³ See 19 CFR 351.309(c)(2) and (d)(2).

contain: (1) the requesting party's name, address, and telephone number; (2) the number of individuals associated with the requesting party that will attend the hearing and whether any of those individuals is a foreign national; and (3) a list of the issues the party intends to discuss at the hearing. Oral arguments at the hearing will be limited to issues raised in the case and rebuttal briefs. If a request for a hearing is made, Commerce will announce the date and time of the hearing. Parties should confirm the date and time of the hearing two days before the scheduled hearing date.

All submissions to Commerce, with limited exceptions, must be filed electronically using ACCESS. An electronically filed document must be received successfully in its entirety by Commerce's electronic records system, ACCESS, by 5:00 p.m. Eastern Time on the due date.¹⁴ Note that Commerce has temporarily modified certain of its requirements for serving documents containing business proprietary information ,until further notice.¹⁵

Final Results of Review

Unless otherwise extended, Commerce intends to issue the final results of this administrative review, which will include the results of its analysis of issues raised in any briefs, within 120 days of publication of these preliminary results of review in the *Federal Register*, pursuant to section 751(a)(3)(A) of the Act.

Assessment Rates

Upon issuance of the final results of review, Commerce will determine, and CBP shall assess, antidumping duties on all appropriate entries of subject merchandise covered by this review.¹⁶ Commerce intends to issue assessment instructions to CBP no earlier than 35 days after the date of publication of the final results of this review in the *Federal Register*. If a timely summons is filed at the U.S. Court of International Trade, the assessment instructions will direct

¹⁴ See 19 CFR 351.303 (for general filing requirements); *Antidumping and Countervailing Duty Proceedings: Electronic Filing Procedures; Administrative Protective Order Procedures*, 76 FR 39263 (July 6, 2011).

¹⁵ See *Temporary Rule Modifying AD/CVD Service Requirements Due to COVID-19; Extension of Effective Period*, 85 FR 41363 (July 10, 2020).

¹⁶ See 19 CFR 351.212(b)(1).

CBP not to liquidate relevant entries until the time for parties to file a request for a statutory injunction has expired (*i.e.*, within 90 days of publication).

For the individually examined respondents whose rate is not zero or *de minimis*, we will calculate importer or customer-specific assessment rates in accordance with 19 CFR 351.212(b)(1).¹⁷ Where the respondent reported reliable entered values, we intend to calculate importer or customer-specific *ad valorem* assessment rates by dividing the total amount of dumping calculated for all reviewed U.S. sales to the importer or customer by the total entered value of the merchandise sold to the importer/customer.¹⁸ Where the respondent did not report entered values, we will calculate importer or customer-specific assessment rates by dividing the total amount of dumping calculated for all reviewed U.S. sales to the importer or customer by the total quantity of those sales. We also will calculate an estimated *ad valorem* importer or customer-specific assessment rate to determine whether the per-unit assessment rate is *de minimis*; however, we will use the per-unit assessment rate where entered values were not reported.¹⁹

Where an importer or customer-specific *ad valorem* assessment rate is not zero or *de minimis*, we will instruct CBP to collect the appropriate duties at the time of liquidation. Where either the respondent's *ad valorem* weighted-average dumping margin is zero or *de minimis*, or an importer or customer-specific *ad valorem* assessment rate is zero or *de minimis*,²⁰ we will instruct CBP to liquidate the appropriate entries without regard to antidumping duties.

For the companies not individually examined in this administrative review that qualified for a separate rate and whose weighted-average dumping margin is not zero or *de minimis*, the assessment rate for antidumping duties will be equal to the weighted-average dumping margin

¹⁷ We applied the assessment rate calculation method adopted in *Antidumping Proceedings: Calculation of the Weighted-Average Dumping Margin and Assessment Rate in Certain Antidumping Proceedings: Final Modification*, 77 FR 8101 (February 14, 2012).

¹⁸ See 19 CFR 351.212(b)(1).

¹⁹ *Id.*

²⁰ See 19 CFR 351.106(c)(2).

determined for the non-individually examined company in the final results of this review.²¹ If the weighted-average dumping margin determined for a non-individually examined company is zero or *de minimis*, then we will instruct CBP to liquidate the appropriate entries without regard to antidumping duties.

For companies not eligible for a separate rate, which are therefore considered to be part of the China-wide entity, the assessment rate will be equal to the weighted-average dumping margin for the China-wide entity,²² *i.e.*, 144.50 percent.

Pursuant to a refinement to Commerce's assessment practice,²³ where sales of subject merchandise exported by an individually examined respondent were not reported in the U.S. sales data submitted by the respondent, but the merchandise was entered into the United States during the POR, we will instruct CBP to liquidate any entries of such merchandise at the assessment rate for antidumping duties for the China-wide entity. Additionally, where Commerce determines that an exporter under review had no shipments of subject merchandise during the POR, any suspended entries of subject merchandise that entered under that exporter's CBP case number during the POR will be liquidated at the assessment rate for antidumping duties for the China-wide entity.

In accordance with section 751(a)(2)(C) of the Act, the final results of this review shall be the basis for the assessment of antidumping duties on entries of merchandise covered by the review and for future cash deposits of estimated antidumping duties, where applicable.

Cash Deposit Requirements

The following cash deposit requirements will be in effect for all shipments of subject merchandise entered, or withdrawn from warehouse, for consumption on, or after, the date of

²¹ See *Drawn Stainless Steel Sinks from the People's Republic of China: Preliminary Results of the Antidumping Duty Administrative Review and Preliminary Determination of No Shipments: 2014-2015*, 81 FR 29528 (May 12, 2016), and accompanying Preliminary Decision Memorandum at 10-11, unchanged in *Drawn Stainless Steel Sinks from the People's Republic of China: Final Results of Antidumping Duty Administrative Review; Final Determination of No Shipments: 2014-2015*, 81 FR 54042 (August 15, 2016).

²² See *Order*.

²³ See *Non-Market Economy Antidumping Proceedings: Assessment of Antidumping Duties*, 76 FR 65694 (October 24, 2011), for a full discussion of this practice.

publication of the notice of the final results of this administrative review in the *Federal Register*, as provided for by section 751(a)(2)(C) of the Act: (1) for an exporter granted a separate rate in the final results of this review, the cash deposit rate will be equal to the weighted-average dumping margin established in the final results of this review for the company (except, if the rate is *de minimis*, then a cash deposit rate of zero will be required); (2) for a previously investigated or reviewed exporter of subject merchandise not listed in the final results of review that has a separate rate, the cash deposit rate will continue to be the exporter's existing cash deposit rate; (3) for all China exporters of subject merchandise that do not have a separate rate, the cash deposit rate will be equal to the weighted-average dumping margin assigned to the China-wide entity, which is 144.50 percent; and (4) for a non-China exporter of subject merchandise that does not have a separate rate, the cash deposit rate will be equal to the weighted-average dumping margin applicable to the China exporter(s) that supplied that non-China exporter. These cash deposit requirements, when imposed, shall remain in effect until further notice.

Notification to Importers

This notice also serves as a preliminary reminder to importers of their responsibility under 19 CFR 351.402(f) to file a certificate regarding the reimbursement of antidumping and/or countervailing duties prior to liquidation of the relevant entries during the POR. Failure to comply with this requirement could result in Commerce's presumption that reimbursement of antidumping and/or countervailing duties occurred and the subsequent assessment of double antidumping duties.

Notification to Interested Parties

We are issuing and publishing these preliminary results of review in accordance with sections 751(a)(1) and 777(i)(1) of the Act, and 19 CFR 351.213 and 351.221(b)(4).

Dated: September 30, 2022.

Lisa W. Wang,
Assistant Secretary
for Enforcement and Compliance.

Appendix I

List of Sections in the Preliminary Decision Memorandum

- I. Summary
- II. Background
- III. Period of Review
- IV. Scope of the *Order*
- V. Preliminary Determination of No Shipments
- VI. Selection of Respondents
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- IX. Recommendation

Appendix II

Companies Preliminary Determined to not be Eligible for a Separate Rate

1. Ateel Display Industries (Xiamen) Co., Ltd.
 2. CTC Universal (Zhangzhou) Industrial Co., Ltd.
 3. David Metal Craft Manufactory Ltd.
 4. Fujian Ever Glory Fixtures Co., Ltd.
 5. Guangdong Wireking Housewares and Hardware Co., Ltd.
 6. Hebei Wuxin Garden Products Co., Ltd.
 7. Huanghua Xinxing Furniture Co., Ltd.
 8. i-Lift Equipment Ltd.
 9. Johnson (Suzhou) Metal Products Co., Ltd.
 10. Master Trust (Xiamen) Import and Export Co., Ltd.
 11. Ningbo Xinguang Rack Co., Ltd.
 12. Redman Corporation
 13. Redman Import & Export Limited
 14. Suzhou (China) Sunshine Hardware & Equipment Imp. & Exp. Co. Ltd.
 15. Tianjin Master Logistics Equipment Co., Ltd.
 16. Xiamen Baihuide Manufacturing Co., Ltd.
 17. Xiamen Ever Glory Fixtures Co., Ltd.
 18. Xiamen Golden Trust Industry & Trade Co., Ltd.
 19. Xiamen Kingfull Imp and Exp Co., Ltd. (d.b.a) Xiamen Kingfull Displays Co., Ltd.
 20. Xiamen LianHong Industry and Trade Co., Ltd.
 21. Xiamen Luckyroc Storage Equipment Manufacture Co., Ltd.
 22. Xiamen Meitoushan Metal Products Co., Ltd.
 23. Xiamen Power Metal Display Co., Ltd.
 24. Xiamen XinHuiYuan Industrial & Trade Co., Ltd.
 25. Xiamen Yiree Display Fixtures Co., Ltd.
 26. Zhangjiagang Better Display Co., Ltd.
- [FR Doc. 2022-21796 Filed: 10/5/2022 8:45 am; Publication Date: 10/6/2022]